

April 8, 2008

The Premcor Refining Group, Inc.
Delaware City Refinery
4550 Wrangle Hill Road
Delaware City, DE 19706

Certified Mail# 7007 0710 0001 4634 3957
Return Receipt Requested

ATTENTION: Andrew Kenner
Vice President and General Manager

SUBJECT: **Permit: AQM-003/00016 – Part 1 (Renewal 1) Proposed**
Permit: AQM-003/00016 – Part 2 Proposed
Permit: AQM-003/00016 – Part 3 (Renewal 1) Proposed

Dear Mr. Kenner:

The Department has completed processing the AQM-1001 series applications from The Premcor Refining Group Inc. (Premcor) for renewal of Part 1, initial issuance of Part 2 and renewal of Part 3 for significant permit modification pursuant to Regulation No. 30 of the State of Delaware "**Regulations Governing the Control of Air Pollution**." Rather than issue each part separately, the Department believes it is appropriate and efficient to issue all 3 parts of this permit simultaneously to ensure a common expiration date. The Department also believes this measure will facilitate consolidating all 3 parts into a single permit at the next renewal. The Department prepared a draft Title V permit for each part and advertised for public notice as follows: Part 1 on December 10, 2007, Part 2 on November 25, 2007 and Part 3 on November 25, 2007. No comments were received from either the public or from the US EPA. However, the Department received timely comments from the Company on January 9, 2008 for Part 1, December 21, 2007 for Part 2 and December 18, 2007 for Part 3. The Department has reviewed the submitted information and its responses are found in the attached Reconciliation Table. Consequently, the Department has developed the attached AProposed@ parts of the Title V permit satisfying the requirements of Regulation No. 30 of the State of Delaware "**Regulations Governing the Control of Air Pollution**."

The attached "Proposed" parts of the permit specify the terms and conditions, Conditions 2 through 6, under which Premcor will be permitted to operate the emission units listed in Condition 1. The permit includes the requested permit shield and insignificant activities as listed in the permit application.

The attached "Proposed" parts of the permit cover only the operating permit requirements of Regulation No. 1102 and Regulation No. 30. The attached "Proposed" parts of the permit do not satisfy future construction permit obligations. Prior to initiating any construction or modification activity Premcor must evaluate the applicability of, and, if required, secure necessary construction permit(s) pursuant to Regulation No. 1102 or 1125, and/or initiate necessary permit revision procedures pursuant to Regulation No. 1102 and Regulation No. 30.

Please note that the EPA Region III Office has forty-five (45) days to either approve or deny the attached "Proposed" parts of the permit. If the Department does not receive any additional comments from the

Permit: AQM-003/000016 – Part 1 (Renewal 1) Proposed

Permit: AQM-003/000016 – Part 2 Proposed

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EPA Region III Office on or before the expiration date of the review period, final operating permits for renewals of Parts 1 and 3 and permit issuance for Part 2 for your facility will be issued.

Please contact me or Bruce Steltzer at (302) 323-4542 if you have any questions or comments regarding the attached "Proposed" parts of the permit.

Sincerely,

Ravi Rangan, P.E.

Engineer

Engineering & Compliance Branch

CRR:slb

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pc: Dover File
 Bruce Steltzer